



WISCONSIN

DEPARTMENT OF WORKFORCE DEVELOPMENT

Division of Economic Support
Bureau of Welfare Initiatives

**TO: Economic Support Supervisors
Economic Support Lead Workers
Training Staff
FSET Administrative and Provider Agencies
Child Care Coordinators
W-2 Agencies**

BWSP OPERATIONS MEMO

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Non W-2 [X] W-2 [X] CC []

PRIORITY:

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SUBJECT: DEFINITION OF "ASSISTANCE" IN TANF

NOTE: A reorganization of the Division of Economic Support has changed the name of the Bureau of Welfare Initiatives to the Bureau of Work Support Programs. With that name change, this memo series is now the BWSP Operations Memos.

CROSS REFERENCE: Operations Memo 99-18, 99-41, and 99-45

EFFECTIVE DATE: October 1, 1999

PURPOSE

To ensure W-2 agency staff and others using TANF funds to provide services have a clear understanding of what constitutes TANF "assistance" for the purposes of:

1. Knowing when it is appropriate and necessary to manually tick a participant's 60-month clock.
2. Understanding how and in what circumstances services can be provided without ticking the participant's 60-month clock

BACKGROUND

The Community Reinvestment, TANF Employment Transportation Grant and other TANF-funded programs are guided by the final TANF rules that are effective October 1, 1999. Those rules make a clear distinction between services that are "assistance" and services that are "non-assistance".

This distinction is important because services that are "assistance" require states to count every month of "assistance" received against the participant's 60-month lifetime limit for TANF assistance.

OLD POLICY

Previous communications have provided that the definition of "assistance" included every monetary service provided more than once in any 12-month period. This policy was reflected in the Operations

Memos cross-referenced above. This old policy was a reflection of **proposed** federal regulations published in November, 1997.

NEW POLICY

The **final** TANF federal regulations significantly altered the definition of what constitutes “assistance”. This definition of “assistance” applies to any current or future TANF-funded program. As examples, this definition applies to Community Reinvestment, TANF Employment Transportation Grant, Community Youth Grants (pending biennial budget) and the Workforce Attachment and Advancement Program (pending biennial budget).

Assistance includes cash payments, vouchers and other forms of benefits designed to meet a family’s ongoing basic needs (food, clothing, shelter, utilities, household goods, personal care items and other general incidental expenses) funded with TANF **except**¹:

1. Nonrecurrent, short-term benefits.

“Nonrecurrent, short-term benefits” are those intended to deal with a specific crisis or episode of need (that is, not intended to meet ongoing needs) that will not extend beyond four months.

Example: Rent or security deposits, utility payments, telephone service, payment for personal care items if payment for these services does not exceed 4 months in duration. There is no limit on how much an agency could spend or pre-pay on a family, only that the payments themselves must cease after 4 months. (For example, could pay 6-months back rent to prevent eviction within the 4-month time frame).

2. Work subsidies paid to employers to help offset the costs of wages, benefits, supervision or training.

This exclusion applies to other work subsidies paid to employers **other than** W-2 Trial Job subsidies.

Example: On-the-job training, paying for an on-site English as a Second Language interpreter, paying for the employee’s share of benefits.

3. Supportive services such as child care and transportation to families that are employed.

To meet the definition of a family who is “employed” at least one eligible adult in the family must be engaged in unsubsidized employment for at least 1 hour per week or engaged in job search/readiness activities requiring child care or transportation for not longer than 4 months. If the family is not employed, assistance must fall into the “non-recurrent” category in order to avoid the “assistance” definition.

Example: Bus passes, reimbursement for gas, or reduced fare cab rides to an individual looking for employment, or engaged in an internship or training program. (NOTE: Child care in Wisconsin, provided under any circumstances through the Child Care program, will not meet the definition of “assistance”).

4. Refundable Earned Income Tax Credits (EITC).

Example: Any cash payments resulting from an individual’s successful application for a state or federal EITC.

5. Contributions to, and distributions from Individual Development Accounts.

¹ It is assumed by the following that individuals receiving the service are not already placed in a W-2T, CSJ or Trial Job placement.

Some agencies may be using Community Reinvestment dollars to fund Individual Development Accounts.

Example: TANF-funded withdrawals from an Individual Development Account for approved purposes which include post secondary educational expenses, first home purchase, or business capitalization.

6. Services such as counseling, case management, peer support, child care information and referral, transitional services, job retention, job advancement and other employment related services that do not provide basic income support.

Example: Any sort of case management, training, workshops, non-medical AODA or Mental Health treatment, or other services non-monetary in nature provided through the job center system.

7. Transportation provided under the Job Access and Reverse Commute program.

Example: Any transportation assistance provided or funded through the Job Access and Reverse Commute Program. (Currently only operational in Milwaukee, Winnebago, Outagamie, and Fond du Lac counties).

Q&A

- Q1. What happens if the service provided does not fall into one of these exclusions and is therefore “assistance”?

- A1. W-2 agencies and other entities with access to TANF program funding are strongly encouraged to structure programs and services to be such that they will not meet the definition of TANF “assistance”. If W-2 eligible individuals require financial assistance and are determined currently incapable of obtaining or maintaining unsubsidized employment on their own, they should receive appropriate W-2 services through the W-2 agency.

If an individual receives “assistance”, each month that the service was received will count as a “tick” towards the 60-month lifetime eligibility limit on TANF assistance. Ticks will only accumulate as long as the service is provided.

Agencies themselves must provide detailed family level data to comply with the reporting requirements outlined in Operations Memo 99-45. Workers must counsel the individual as to ramifications of accepting the “assistance” service and manually tick the participant’s clock as outlined in Operations Memo 99-41.

- Q2. How will this policy affect Food Stamp, FSET, Medicaid or BadgerCare clients who are not involved in any of these TANF programs?

- A2. It will not in any way affect these clients as their services are funded with resources other than TANF.